

WVGOP

Republican State Executive Committee of West Virginia

August 26, 2005

CERTIFIED MAIL

Federal Election Commission
Office of General Counsel
999 E Street, N.W.
Washington, D.C. 20463

AOR 2005-15

2005 SEP 12 A 9:25
FEDERAL ELECTION COMMISSION
OFFICE OF GENERAL COUNSEL
2:59

**Subject: Advisory Opinion Request
West Virginia Republican State Executive Committee
FEC account number C00081802
Reorganization as a Nonprofit Corporation**

Gentlemen:

I am Treasurer of the West Virginia Republican State Executive Committee (the "Committee"), which is contemplating reorganization as a nonprofit corporation under the West Virginia Nonprofit Corporation Act, W.Va. Code Chapter 31E. The Committee is presently organized as a state party executive committee as described at W.Va. Code §3-1-9, and reports under its FEC account number C00081802 as a qualified state committee of the Republican Party.

The Committee's proposed reorganization is for liability purposes, in accordance with 11 CFR 114.12(a). This reorganization will result in the creation of a new, nonprofit domestic corporate entity through which the Committee will thereafter function. Advisory Opinion 1993-8 appears on point; however we seek this advisory opinion to confirm our interpretation before the Committee proceeds with the contemplated steps more fully described below.

1. The Committee intends to forthwith file Articles of Incorporation with the West Virginia Secretary of State, pursuant to the West Virginia Nonprofit Corporation Act, in a name to be determined, hereinafter referred to as "Party, Inc."). [Note: The name is likely to be "West Virginia Republican Party, Inc. or similar"]

2. The Committee shall thereafter adopt corporate bylaws to replace the current Committee bylaws at an upcoming organizational meeting, thereupon reorganizing as a new corporation, and commence new committee for FEC purposes, in the name Party, Inc. Party, Inc. shall designate a treasurer and a depository of funds pursuant to corporate resolution, and file a new FEC Form 1 that would include the treasurer and depository information.

3. It is the Committee's intention that Party, Inc. will thereafter file state business registration forms, and obtain a new federal employer identification number (as may be required to effectuate the new entity status). It is the Committee's understanding that as a political committee required to report under the Federal Election Campaign Act of 1971, Party, Inc. would be exempt from the requirement of filing Form 8871 (Political Organization Notice of Section

527 Status), Forms 8872 (Political Organization Report of Contributions and Expenditures), and Forms 990 (Annual Information Return). However, Party, Inc. would be required to file form 1120-POL annually to the extent there is taxable income above the \$100 deduction. *[Note: We recognize that there may be limitations on the FEC's ability to provide opinions with respect to the requirements of the Internal Revenue Code; however we would appreciate any guidance you can provide on this point.]*

4. It would be the Committee's intention to transfer the funds remaining in the current FEC account C00081802 to Party, Inc.'s new committee account, and thereafter terminate its current account upon completion of its reporting requirements. It would be the Committee's intention that such funds transferred, and any future contributions received, be received in the name of Party, Inc., and that such funds would be accepted, and be available for expenditure or disbursement, in all respects as the Committee was formerly able to, and not be subject to federal or state limitations on corporate political activity, as more fully discussed in AO 1993-8.

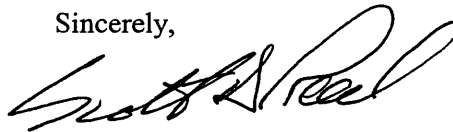
5. It would be the Committee's intention to thereafter transfer title to its headquarters building to Party, Inc., along with its furniture, fixtures and equipment, and subject to the consent of the mortgagee, to have Party, Inc. assume the mortgage, tax, insurance and maintenance payments from that point forward.

Although the foregoing appears permissible, and in fact expressly authorized, under 11 CFR 114.12(a) and prior advisory opinions, we want to confirm that the above-described implementation sequence and proposed activities remain consistent with FEC regulations.

Your most expeditious review of these contemplated actions, and an advisory opinion with respect thereto, would be sincerely appreciated. As previously stated, the West Virginia Republican State Executive Committee has made no decision on this matter and is simply performing an inquiry. However, we would also appreciate knowing whether there is an alternative advice mechanism that will satisfactorily confirm the essentials of this reorganization, without the formality of the Advisory Opinion process.

Please let me know if you require further information.

Sincerely,

A handwritten signature in black ink, appearing to read "Scott D. Reed", written in a cursive style.

Scott D. Reed
Treasurer